(d) to (g) The moderate growth of manufacturing sectors is attributable to a number of factors such as inherent adjustment lags in the process of restructuring, lower demand and high rates of interest. The poor performance of capital goods sectors is attributable to a fall in investment demands, particularly due to social disturbances during December-March 1992-93 and relatively high interest rates and expectations of further reduction in duty rates.

The Finance Minister has proposed several measures in the Budget for 1994-95 to revive the growth of manufacturing sectors, particularly capital goods. These include:

—Reduction in the basic customs duties on project imports and general capital goods from 35 per cent to 25 per cent. Extension of the facility of project imports to include port development.

—Reduction of import duty on parts, whether imported as parts of original equipment, or as spares to 25 per cent from the present rates varying from 25 per cent to 85 per cent. Continuation of zero and 20 per cent import duty respectively an fertiliser projects and power projcets.

—Imposition of countervailing duty on imports of capital goods at a rate equivalent to the excise duty on domestic capital goods.

—Extension of Modvat to capital goods so that full credit of excise duty paid on domestic capital goods or countervailing duty paid on imported goods will be available at one time.

—Simplification of the structure of duties on machine tools by charging duty at 35 per cent or 45 per cent from the present rates of 40 per cent, 60 per cent and 80 per cent

—Reduction of corporate tax rates from the present level of 45 per cent on widely held companies and 50 per cent on other domestic companies to 40 per cent on both widely held companies and closely held domestic companies and reduction of corporate tax from 65 per cent to 55 per cent on companies incorporated abroad, but earning income in India.

—Reduction of long term capital gains tax on domestic companies from 40 per cent to 30 per cent.

—Reduction in the minimum lending rate of All India Financial Institutions by one percentage point to 14 per cent exclusive of interest tax and reduction in the commercial banks' minimum lending rates on terms loans of three years and above from 15 per cent to 14 per cent.

Credit cards in the country

2600. SHRI SURINDER KUMAR SINGLA:

DR. SHRIKANT RAMCHANDRA JICHKAR:

Will the Minister of FINANCE be pleased to state:

(a) what are the names of credit cards which are presently prevalent in the country;

(b) what is the total present membership of each card;

(c) what is the procedure for starting such cards;

(d) what regulatory control exists on the cards; and

(e) whether any change is proposed in these regulations?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. ABRAR AHMED): (a) and (b) Infromation in respect of credit cards

issued by commercial banks is given in the Statement. (*See* below)

(c) A bank can take up credit card business on the basis of its own commercial judgement and after obtaining necessary permission as prescribed in the RBI guidelines. The eligibility criteria for issue of cards include income level, social and financial status and the experience of the bank about the person as a customer of the bank.

(d) RBI had issued instructions to commercial banks in June 1989 emphasising that the banks should ensure that the credit card business is conducted on sound lines, that they should be selective while issuing credit cards with a view to minimising the incidence of bad debts/frauds, and that they should have a proper machinery for speedy recovery of dues from the card holders. The banks were also advised that they shuold ensure that there is no undue backlog in accounting/reconciliation of transactions. The banks were further asked by the RBI in November 1990 to prepare comprehensive half-yearly review reports and submit them to their Boards of Directors with copies to RBI.

(e) At pesent, there is no proposal to change the above guidelines.

Statement

Information regarding Credit Cards issued by Commercial Banks
(As readily available with RBI)

Sl. No.	Name of the Bank	Name of the Card	Card Membership (As on 31-3-93)
(1)	(2)	(3)	(4)
I.	*Indian Banks*		
1.	Andhra Bank	Andhra Card	73007
2.	Bank of Baroda	BOB Card	153320
3.	Bank of India	India Card	23500
4.	Vijaya Bank	—	38462
5.	Canara Bank	Cancard	183348
6.	Central Bank of India	Central Card	91220
7.	Syndicate Bank	Cancard (Tie-up with Canara Bank)	8583
8.	Corporation Bank	-do- -do-	6331
9.	Punjab & Sind Bank	-do- -do-	Not available
10.	Dena Bank	-do- -do-	3065
11.	Indian Overseas Bank	-do- -do-	3978
12.	Union Bank of India	-do- -do-	8315 (30.9.93)

(1)	(2)	(3)	(4)
13.	Bank of Maharashtra . .	India Card (Tie-up with Bank of India)	4688
14.	Oriental Bank of Commerce .	-do- -do-	2363
15.	Allahabad Bank . . .	-do- -do-	15291 (30.9.93)
16.	United Bank of India . .	Central Card (Tie-up with Central Bank of India)	2612
17.	State Bank of India . .	State Bank Cheque Card	114160 (30.9.92)
18.	State Bank of Mysore . .	-do-	Not available
19.	State Bank of Hyderabad . .	-do-	1388 (30.9.93
20.	State Bank of Patiala . .	-do-	287 (30.9.92)
21.	Vysya Bank Ltd. . . .	Citicard (Tie-up with Citibank)	18222 (30.9.92)
22.	Tamil Nadu Mercantile Bank Ltd.	India Card (Tie-up with Bank of India)	1191 (30.9.93)
23.	United Western Bank Ltd. .	India Card -do-	1507 (30.9.93)
24.	South Indian Bank Ltd. . .	-do- -do-	1094 (30.9.93)
25.	Bank of Madura Ltd . . .	Cancard (Tie-up with Canara Bank)	Not available
26.	Sangli Bank Ltd. . . .	-do- -do-	-do-
27.	Karnataka Bank Ltd. . .	-do- -do-	-do-
28.	Lakshmi Vilas Bank Ltd. . .	-do- -do-	-do-
29.	Karur Vysya Bank Ltd. . .	-do- -do-	815
30.	Federal Bank Ltd. . . .	BOB Card (Tie-up with Bank of Baroda)	Not available

Sl. No.	Name of the Bank	Card Membership (As on 31-3-93)
II.	*Foreign Bank Operating in India :*	
1.	ANZ Grindlays Bank	45078
2.	Citibank	198888
3.	Hongkong And Shanghai Banking Corpn. Ltd.	11900
4.	Standard Chartered Bank	766 (25.2.93)
5.	Bank of America National Trust and Savings Association . .	Not available
6.	American Express Bank	-do-